

EXECUTIVE SUMMARY

Kentucky Statewide Rail Plan

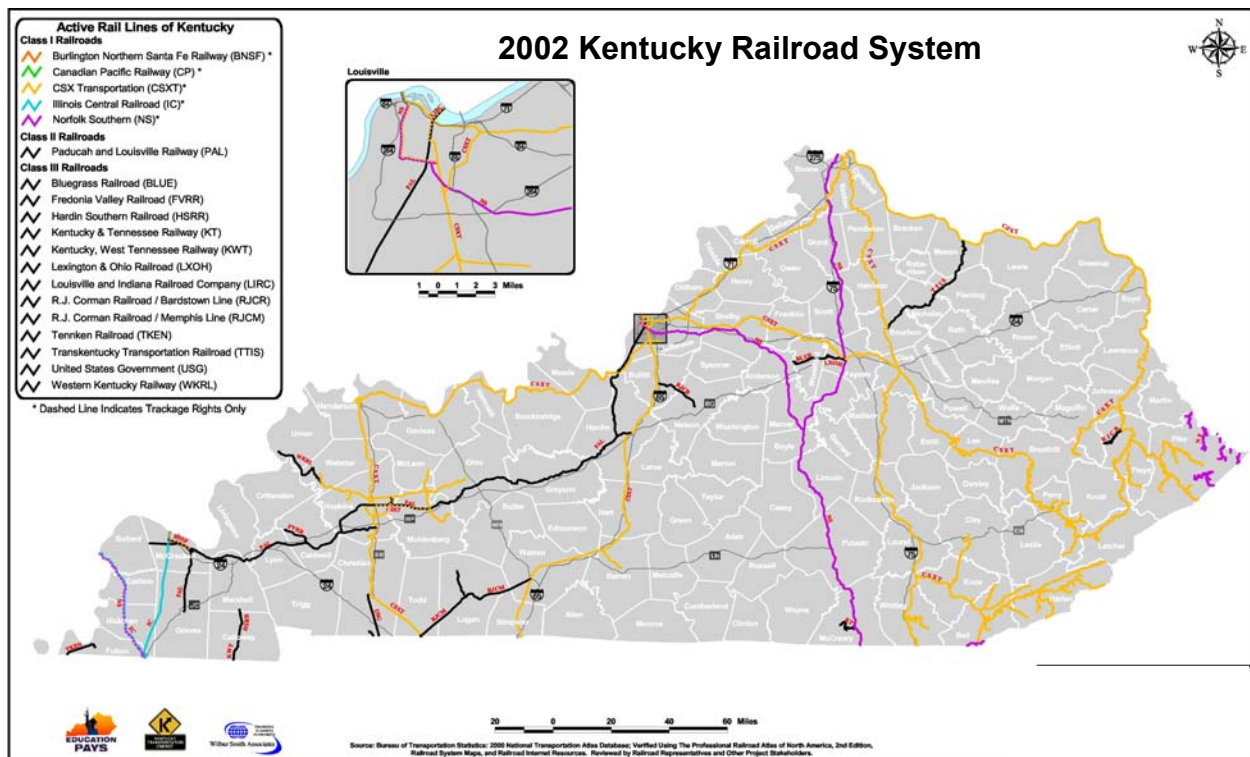
In Year 2000, the Commonwealth of Kentucky Legislature authorized funding to develop the *2002 Kentucky Statewide Rail Plan*. The Kentucky Transportation Cabinet (KYTC) has developed the Plan for two reasons. First, it presents the modal plan that (1) identifies system-wide strategies and policies and (2) conforms to the goals established in the *2001 Kentucky Transportation Cabinet's Strategic Plan*¹ and current update of the *1999 Kentucky Statewide Transportation Plan*². Second, it provides a vehicle to identify future rail issues to meet Federal Railroad Administration requirements for federal funding, as it becomes available.



CSXT Track outside
Madisonville, Kentucky

KENTUCKY FREIGHT RAILROADS

The Kentucky freight rail system, as seen below, is currently comprised of 18 freight railroads and one United States Government rail line. The carriers range in size from small short line railroads to large Class I national systems serving the US and Canada. These railroads comprise a state rail system of just over 2,800 route miles. Of this total, the state's five Class I railroads represent approximately 2,300 miles, or 82 percent of the statewide rail system.



¹ Kentucky Transportation Cabinet. *Kentucky Transportation Cabinet Strategic Plan*. Frankfort: Kentucky Transportation Cabinet, 2001.

² Kentucky Transportation Cabinet. *Kentucky Statewide Transportation Plan*. Frankfort: Kentucky Transportation Cabinet, 1999.

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FREIGHT TRAFFIC

In 1999, total rail freight traffic in Kentucky exceeded 286 million tons as shown in the table below. Out of this total, approximately 96 million tons originated in Kentucky with destinations outside the state, 30 million tons of freight traffic terminated in Kentucky, 12 million tons of travel both originated and terminated with the state (intrastate traffic), and over 149 million tons (or just over half) of freight rail traffic used the state's rail network to simply pass through the state. The movement of rail freight is growing in Kentucky, increasing by 11 percent between 1990 and 1999.



Norfolk Southern Train passing through Lexington, Kentucky

Coal is the primary rail commodity in Kentucky, comprising 57% of all rail freight traffic.

Coal is the principal Kentucky rail commodity, leading in originating, terminating, intrastate, and through commodity tonnage. Coal comprises 57 percent of all Kentucky rail freight traffic, and 80 percent of all originating and terminating traffic. Looking further at originating and terminating traffic, transportation equipment, primary metal product and chemical or allied products follow with four, three and two percent, respectively. In terms of total commodity tonnage, farm products account for 10 percent, but this is mostly attributable to through commodity tonnage.

Kentucky Freight Traffic, by Commodity
1999

Commodity		Tonnage (thousands)					
STCC ¹	Description	Originating	Terminating	Intrastate	Through	Total	% of Total
1	Farm Products	659	362	8	26,413	27,442	9.6
10	Metallic Ores	81	2,300	211	2,528	5,120	1.8
11	Coal	83,817	16,313	9,954	53,815	163,899	57.2
14	Nonmetallic Minerals	377	345	650	937	2,310	0.8
20	Food or Kindred Products	287	824	59	11,070	12,240	4.3
24	Lumber or Wood Products	216	1,174	228	4,499	6,117	2.1
26	Pulp, Paper, or Allied Products	687	1,285	61	7,943	9,976	3.5
28	Chemicals or Allied Products	1,083	1,522	179	11,429	14,212	5.0
29	Petroleum or Coal Products	432	371	6	2,458	3,268	1.1
32	Clay, Concrete, Glass, or Stone	524	515	22	4,581	5,642	2.0
33	Primary Metal Product	2,841	1,353	78	6,534	10,806	3.8
37	Transportation Equipment	3,075	1,647	104	5,545	10,371	3.6
40	Waste or Scrap Materials	620	1,131	341	1,899	3,992	1.4
46	Misc. Mixed Shipments	456	433	0	7,363	8,252	2.9
	All Others	392	176	3	2,350	2,921	1.0
Totals		95,547	29,750	11,903	149,367	286,566	100.0

Source: Surface Transportation Board's Waybill Sample

Notes: 1) Waybill Statistics utilize two-digit Standard Transportation Commodity Codes (STCC) and are categorized accordingly.

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PASSENGER RAIL

Passenger rail in Kentucky is comprised of Amtrak operations and tourist/excursion rail lines. Amtrak currently serves over 500 communities in 46 states and the District of Columbia. However, due to Amtrak's funding issues, its future is uncertain and service along 18 long distance routes may be curtailed including routes through Kentucky.

Amtrak in Kentucky

Amtrak trains serve five cities in Kentucky. The *Cardinal* serves the cities of Maysville, South Portsmouth, and Ashland and runs from Chicago, Illinois to Washington, D.C. The *City of New Orleans* provides service from Chicago to New Orleans, Louisiana, passing through Fulton. Louisville is served by the *Kentucky Cardinal*, which connects Chicago and Indianapolis to Jeffersonville, Indiana, and Louisville. Amtrak records for the state of Kentucky were obtained for the years FY 1994 through FY 2001 revealing that ridership serving Kentucky held steady or steadily decreased from FY 1994 to FY 1998. In FY 1999, ridership dramatically increased, but decreased again in FY 2000 and FY 2001.

Tourist/Excursion Lines and Attractions

There are five operating tourist/excursion train lines within Kentucky. These lines include the Hardin Southern Railroad (HSRR) in Calloway and Marshall Counties; Big South Fork Scenic Railway in Stearns; My Old Kentucky Dinner Train in Bardstown; Kentucky Railway Museum in New Haven; and the Bluegrass Railroad Museum in Versailles.

In addition to the tourist/excursion lines noted above, there are several attractions throughout Kentucky that focus on the past and present rail industry. These attractions include railroad depots, rail museums, restaurants in former depots, railroad static displays, or some combination of these.



Blue Heron Interpretive Center and Depot, one of two stops along the Big South Fork Scenic Railroad tour

Future Passenger Service

Several studies are underway to explore and potentially expand the availability of passenger rail in Kentucky. Both Louisville, Kentucky and Cincinnati, Ohio are considering light rail systems that could serve those cities and the regional area, including northern Kentucky. At the national level, the Midwest Regional Rail Initiative (MWRRI) is the largest effort that will have, at a minimum, an indirect impact on Kentucky. The MWRRI is made up of nine Midwest states, Amtrak, and the Federal Highway Administration. The Commonwealth of Kentucky is not currently participating in the MWRRI because there is presently no funding available for development of the proposed Midwest Regional Rail System. The KYTC may consider future opportunities to participate in the MWRRI if funding were to become available.

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RAILROAD ISSUES/CONCERNS

Throughout the preparation of the Kentucky Statewide Rail Plan, the Steering Committee, Kentucky's rail carriers, public officials, and representatives of government resource agencies were given the opportunity to provide input for this plan. Some of the identified rail issues and related needs include:

Capital Needs

One common concern of big and small railroads alike is the funding for infrastructure needs. Without improvements to existing infrastructure, Regional and Short line carriers are expected to lose business with the Class I carriers because of the requirement to accommodate larger loads. In addition, smaller railroads may not be able to attract new industry looking to take advantage of hauling more freight with less equipment.



Older bridges may need to be upgraded or replaced to accommodate increasing car weights.

Safety Concerns

Safety is a priority throughout the rail industry. Although a safety benefit, warning devices cannot prevent highway-rail at-grade crossing accidents.

One way of improving rail safety is to consolidate crossings and/or provide grade-separated crossings. These efforts help to improve public safety, reduce motor vehicle congestion, and increase the railroads' speed and reliability. The latter is important to attracting new business to the railroad.

Economic Issues

Railroad representatives pointed out the need to diversify their services, thereby reducing dependence on the transport of coal. Another identified economic concern is the desire to maintain equitable treatment of rail with respect to other modes of transportation. Rail carriers are required to maintain their own trackage and right-of-way and are taxed on all property and right-of-way through the ad valorem tax. In addition, railroads are required to pay the same 4.3 cents per gallon federal tax on diesel fuel that the trucking industry pays. For the trucking industry, the fuel tax goes to the highway fund while fuel tax generated from the railroads goes to the federal deficit reduction general fund, which is not returned to the system to benefit railroad companies. The Association of American Railroads (AAR) supports the repeal of the fuel tax for railroads while the American Association of State Highway and Transportation Officials (AASHTO) supports moving revenue from the fuel tax to the Highway-Rail Grade Crossing Program.

Passenger Service Concerns

Passenger trains raise important safety, capacity, and engineering concerns. The interaction between passenger and freight service and the importance of each in the transport of people and goods should be viewed over the long term.

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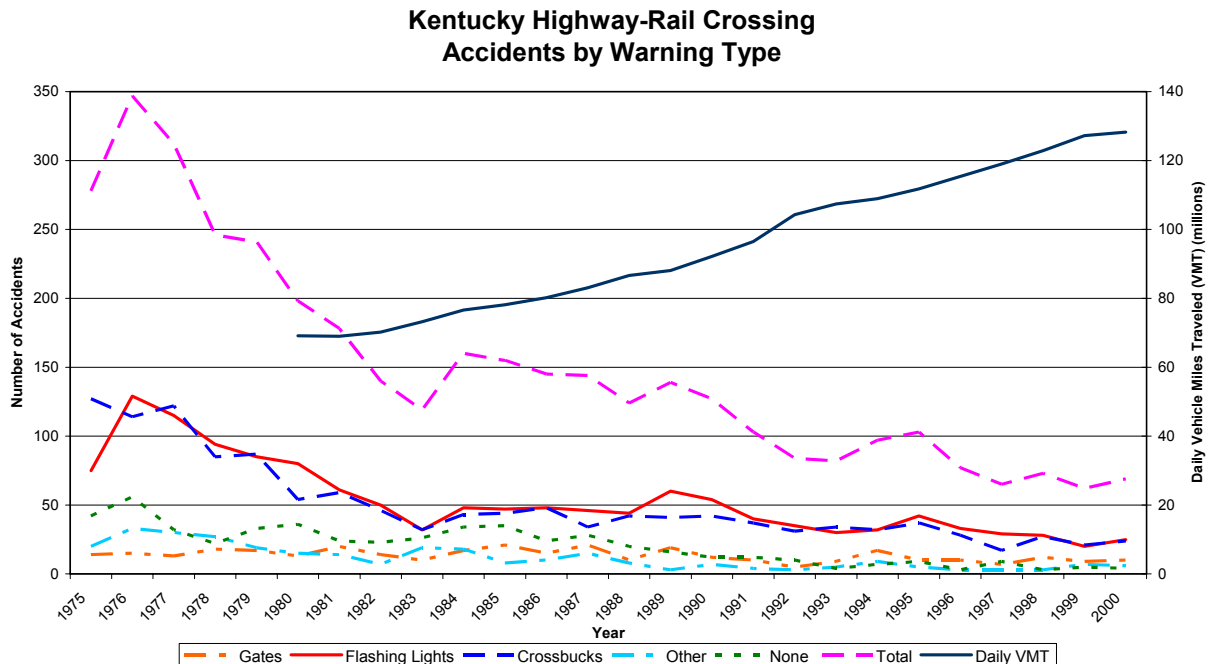
RAIL SAFETY

The Federal Railroad Administration has the charge to maintain safety for the rail network. Safety issues are also addressed by the Kentucky Revised Statutes, and through national and state programs like Operation Lifesaver and the Kentucky Grade Crossing Program.

Since the mid 1970's in Kentucky there has been a 64 percent reduction in accidents and a 42 percent decline in fatalities. As more warning devices are put in place, the number of incidents continues to decrease. The dramatic decline in highway-rail accidents since 1975 is apparent in the figure below. Although the graph represents a historical decline in accidents, in 2001 the number of fatalities doubled to 10 and injuries rose to 31. These increases placed Kentucky in the top 15 for both categories nationally.

A 64% reduction in accidents and 42% decline in fatalities have occurred in Kentucky since the mid 1970's; however, in 2001 the number of fatalities doubled to 10 in comparison to 2000.

Equal to the national average, Kentucky has approximately 1.8 crossings per route mile of track. However, only 24 percent of these crossings have active warning devices, which is far below the national average. While accident rates have continued to decline for the state over the same 20-year period, additional measures could help to further improve safety. Consideration should be given to consolidation of crossings and installation of additional safety devices where appropriate.



RAILS TO TRAILS

Rail trails are public paths that have been created from former railroad corridors. These paths are used for activities that may include walking, bicycling, equestrian, and wheelchair use. Currently there are more than 11,000 miles of rail trails in the United States, with more projects being planned. Rail trails, in most cases, are constructed along rail lines that have been abandoned. An abandoned rail line is one on which rail service has been discontinued and the Surface Transportation Board has approved the abandonment.



Another type of rail trail is “rails-with-trails,” a recent development that allows the rail trail to share use with active rail corridors. Rail banking is another method of preserving rail

right-of-way for the potential future use by the railroad. Instead of abandoning the line, a rail trail may exist on the right-of-way for interim use.

Kentucky Rail Trails

Kentucky currently has 16 miles of existing rail trails, ranking the state among the lowest nationally. National leaders include Minnesota, Wisconsin, and Michigan with 1,301, 1,294, and 1,176 miles, respectively. While Kentucky has few finished rail trails, there are 160 additional miles of rail trails in 28 counties at some stage of planning or development within the state.

Kentucky currently ranks among the lowest nationally with only 16 miles of existing rail trails. There are 160 additional miles of rail trails at some stage of planning or development within the state.

Kentucky Legislation and the Role of the KYTC

House Bill 221 of the 2000 Regular Session of the Kentucky General Assembly updates and amends sections of the Kentucky Revised Statutes to reorganize and enhance Kentucky’s rails to trails process. A number of these sections relating to rails to trails are in reference to the responsibilities of the Kentucky Transportation Cabinet. The KYTC must develop a statewide bikeways program that promotes bicycling in order to maximize the use of resources to develop bikeways. Responsibilities of the Cabinet include cooperation with local governments, development of policies and procedures, safety training programs, and the development and construction of a State Bikeway System.

The creation of a Kentucky Bicycle and Bikeway Commission within the Transportation Cabinet is outlined. Created in August 1994, this Commission represents the interests of bicyclists and assists the bikeway program.

The Transportation Cabinet is also responsible for transmitting information regarding abandonments to the Department of Parks and the Rail Trail Development Office. A record of abandoned railroad lines in Kentucky must be maintained, and this record must include a description of the line, the line operator, and whether the line has been railbanked, as well as other pertinent information.

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GOALS AND RECOMMENDATIONS

The following four goals were established as part of the *2002 Kentucky Statewide Rail Plan* development process:

- Work to preserve the existing rail system to the extent the Kentucky Transportation Cabinet can influence the largely privately owned and operated Kentucky rail system.
- Support economic development by providing Kentucky's rail system connectivity to the national rail system and Kentucky's transportation system.
- Strengthen customer relationships with the rail industry through coordination and cooperation in the transportation planning process.
- Enhance rail transportation safety and convenience to ensure mobility and access.

To help achieve these goals established for this project, a set of recommended actions was created. They are broken down by goal as follows:

Goal: Promote Rail System Preservation

Recommendation 1: Assist in Preserving Rail Service and Rights-of-Way – The KYTC should work to coordinate initiatives that will help preserve rail service where in the public interest, and rights-of-way where service preservation is not possible.

Recommendation 2: Coordinate Maintenance of System Information – A key element in helping to preserve the existing rail system is to maintain current knowledge of the Commonwealth's rail system and its components. It is this element in which the KYTC can serve a central and direct role.



Goal: Support Economic Development

Recommendation 1: Provide Coordination with Local and State Agencies – The KYTC can act as one of several critical points of coordination between the private and public sectors involved in the funding process.

Recommendation 2: Provide Technical Assistance to Local and State Agencies – In maintaining information on the state's rail system and having staff resources with expertise in the field, the KYTC could be called upon to conduct analysis of rail service proposals, particularly relative to the cost and feasibility of implementing such proposals.

Recommendation 3: Participation in National Initiatives – The KYTC should continue to work in partnership with neighboring states to develop initiatives that promote connectivity to the national rail system and the global market place.

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Goal: Strengthen Customer Relationships and Involvement in the Transportation Planning Process

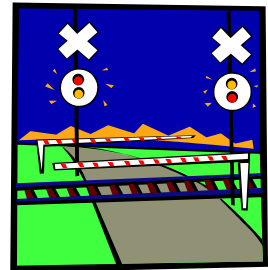
Recommendation 1: Involvement of Rail Industry Partners –The development of the 2002 Kentucky Statewide Rail Plan has included active participation by representatives of Kentucky's rail industry. Having strengthened these relationships through this effort, the KYTC should maintain this working relationship by regularly involving these groups in future planning processes.

Recommendation 2: Involvement of MPO and ADDs – The KYTC should formalize a process to encourage MPOs, ADDs and other planning organizations to specifically address rail issues as part of their pre-established reporting procedures.

Recommendation 3: Involvement with Operation Lifesaver – Operation Lifesaver is a nationwide, non-profit organization dedicated to ending collisions, deaths, and injuries at highway-rail intersections and along railroad rights-of-way. The Kentucky Transportation Cabinet should explore options to promote Operation Lifesaver and other transportation safety programs.

Goal: Enhance Rail System Safety and Convenience

Recommendation 1: Actively Address Rail Safety/Accident Issues – At current funding levels, the Kentucky Grade Crossing Program addresses eight to ten such improvements each year. While maintaining the flexibility to address specific locations throughout the state, consideration should also be given to a corridor-level approach to establish priorities for consideration in future initiatives to address highway-rail grade crossing safety.



Recommendation 2: Address Rail Security Measures –The importance of security for Kentucky's rail system has been heightened with national concerns related to terrorism and transportation security. With such national emphasis comes funding opportunities that could be leveraged to address these issues within the state. Security enhancement initiatives should be considered for freight and passenger rail.

Recommendation 3: Improve System Convenience through Access and Mobility – A multimodal transportation system offering a variety of services is desired for the effective movement of commodities and people. Utilizing available resources such as the intermodal facilities database maintained by the Kentucky Transportation Center, the KYTC can identify rail-related intermodal opportunities or opportunities for rail to provide an effective alternative transportation choice. In addition, The KYTC could identify and evaluate, where justifiable, passenger rail transportation, particularly in the metropolitan areas, and identify opportunities to improve connections to other passenger modes of transportation.

